and Bruce Markoe of MGM both issued the first blanket statements that all their future releases would contain eyan soundtracks. This was a huge step forward for making cyan tracks a reality for all movies. After 20 successful cyan releases, of which several were number one at the box office, and numerous lunches and meetings, most of the studios had climbed aboard the cyan train.

With the huge success of the cyan movement, I've been asked repeatedly, "What are you and Dolby getting out of this?" The answer is an easy one: We are getting the satisfaction of helping to improve the environment. And, although there is no direct benefit for us, we felt that as a leader in this industry it was important for us to drive this effort. Everyone who supported this effort should be very proud of their persistence.

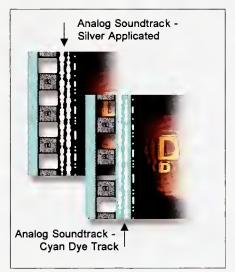
BOXOFFICE: What was the impetus for the formation of the Dye Track Committee?

Costas: The committee started to get the cyan movement going in the right direction. Previous to that, Dolby and Kodak had discussed cyan soundtracks as a solution to a serious environmental problem that could eventually be legislated by the government. The formation of the committee was a way to get the long process of change going. It has always been a two-fold process: first, testing, perfecting and implementing the new technology, and second, getting the studios to adopt it. In 1998, we started to intensify both parts of the process. Extensive testing began in 1998, spearheaded by Dolby, Kodak, Fuji, Agfa,

Technicolor and Deluxe, and the push to start converting theatres began soon thereafter.

BOXOFFICE: Who makes up the membership of the committee?

Costas: The Dye Track Committee is made up of many of the same industry leaders that attend the Inter-Society Meetings such as film



industry post-production heads, distribution and exhibition leaders, film stock manufacturers and film laboratories. Meetings were held regularly until the recent success of the project made them unnecessary. A change that requires efforts on behalf of both the exhibition industry and the studios is not an easy task to pull off. These meetings kept the groups informed of the testing progress and the implementation progress.

BOXOFFICE: What is the committee's mission?

Costas: To enact a technology change that has tremendous environmental benefits. The amazing thing about our mission is that the committee has been behind this unanimously for some time.

BOXOFFICE: What are the henefits of cyan tracks?

Costas: Let me start with the environmental benefits. The old-way analog sound-tracks are put on film is a "silver-applicated" process that requires toxic redeveloper solutions that use 10 chemicals on the EPA's most-watched list. The process also uses as much water, from just one of the major manufacturing labs, to provide drinking water to a town of 100,000 people for a year. There are several labs manufacturing film all over the world. The silver content in the application process makes the last part of the film process, the disposal, much more complicated and expensive. On average, 10 billion feet of film is used per year.

In addition to the environmental benefits, there are presentation benefits such as an improvement in image quality. Six to 10 percent of film prints are affected by "application splash," when the applicator spills out into the image section of the film. It looks like black dirt chunks on the far left portion of the image and can be very distracting.



